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ABSTRACT

This report describes the program for financing public schools in Florida. The first section of the report describes key features of the Florida Education Finance Program (FEFP) and provides background information about local, state, and federal support of education in the state. The second section identifies legal authorizations, outlines the requirements for participation, defines terms, and describes the formula for distributing state funds to public education. The appendixes supply specific details about selected parts of the funding program and summarizes information about related state programs. (Author/MLF)

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statistical report

Series 76-02

October 1975

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FLORIDA EDUCATION FINANCE PROGRAM:

State Support for Public Schools 1975 - 1976

MIS

DIVISION OF PUBLIC SCHOOLS
DEPARTMENT OF EDUCATION
TALLAHASSEE, FLORIDA
RALPH D. TURLINGTON, COMMISSIONER

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Florida Department of Education

Tallahassee, Florida

32304

Ralph D. Turlington, Commissioner

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FLORIDA EDUCATION FINANCE PROGRAM

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FOREWORD

This report describes the program for financing public schools in Florida. The intent is to supply general information for those having a casual interest in state funding of schools and more detailed descriptions for the school administrator or the student of school finance. In addition, the document should be a useful reference for individuals wishing to identify legal authorization for various portions of the funding program.

The first section of the report (Introduction) describes key features of the Florida Education Finance Program (FEFP) and provides background information about local, state and federal support of education in the State.

The second section identifies legal authorizations, outlines the requirements for participation, defines terms, and describes the formula for distributing state funds to public education.

The appendices supply specific details about selected parts of the funding program and summarizes information about related state programs.

INTRODUCTION

Traditionally state agencies have distributed dollars to school districts by formulas based upon instruction units or special services. In 1973, the Florida Legislature passed the Florida Education Finance Program (FEFP) which changed the focus for funding education in the State. The intent of the law is:

> "To guarantee to each student in the Florida public school system the availability of programs and services appropriate to his educational needs which are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors." (Section 236.012, Florida Statutes)

The key feature of the finance program is to base financial support for education upon the individual student participating in a particular program rather than upon the numbers of teachers or classrooms. FEFP funds are generated by multiplying the number of full-time equivalent students (FTE's) by weight factors (cost factors) to obtain weighted FTE's which are then multiplied by a fixed base student cost. Program cost factors are determined by the Legislature to represent relative cost differences between programs. Program totals are then added to determine the gross amount for the operation of the various programs of the particular school district.

To provide equalization of educational opportunity in Florida, the FEFP formula recognizes (1) varying program cost factors, (2) district cost differentials, (3) variations in transportation services, and (4) in 1976-1977, will provide for the differences in the per student cost for equivalent educational programs due to sparsity and dispersion of student population.

The following paragraphs provide background information regarding financial support for education in Florida. The information relates to state, local and federal sources of support for public education in the State. The school districts of Florida received 56.56% of their financial support of schools from state sources, 34.49% from local sources and 8.95% from federal sources (1973-1974).

State Support. -- Funds for state support to district school systems are provided primarily by legislative appropriations. The major proportion of state support is distributed under the provisions of

the Florida Education Finance Program. The distribution of state funds is described in detail in the "Description of State Distribution" section of this document.

Capital outlay funds to the districts are provided in two sections of the Florida Constitution. Article XII, Section 9(d) provides a stated amount to each district annually from proceeds of licensing of motor vehicles. Article XII, Section 9(a) provides that school districts may share in the proceeds from gross utilities taxes as provided by legislative allocation.

In addition to the basic FEFP, funds are appropriated for categorical programs. These programs are listed in the "Description of State Distribution" section of this document and are described in more detail in Appendix B. There are also special allocations including funds for environmental education programs.

Other State Support. -- Racing Commission funds are distributed to each county in equal amounts. Many of the school districts share in the distribution according to special or local acts. The allocation to school districts varies from year to year.

Local Support. -- Local revenue for school support is derived almost wholly from real and personal property taxes. There are no local non-property taxes levied specifically for schools. Each of the 67 school districts in the State is a county-wide school district.

Each school board desiring to participate in the state allocation of funds for current operation of schools may levy up to 8 mills of tax on the nonexempt assessed valuation of property for the support and maintenance of the schools. Each board must levy the millage rate specified as the required local effort. The required local effort of the funding formula is computed after the Legislature establishes a total budget amount for funding the FEFP. Not later than August 1, the Department of Education computes the millage which, when applied to 95% of the estimated nonexempt assessed valuation will generate an amount equal to the total state required local effort specified by the Legislature (543 million dollars for 1975-1976). The millage rate (determined to be 6.2931 for 1975-1976) is certified to each school district and, when applied to the official final tax roll, becomes the required local effort for the district.

In addition, the qualified electors may vote an additional millage levy for capital outlay purposes. State Board of Education Regulations prohibit school districts from issuing school bonds in excess of 10% of the nonexempt assessed valuation of the district except with specific State Board approval.

Tax levies for debt service are in addition to the levies for school

current operation but are limited by State Board of Education regulations to 6 mills except with specific Board approval.

Federal Support. -- The State Board of Education must approve plans for cooperating with the federal government in carrying out any phase of the educational program in which it finds cooperation desirable and must provide for the proper administration of funds apportioned to the State from federal appropriations. The State Board is responsible for prescribing regulations covering all contracts or agreements made with federal agencies for funds, services, commodities or equipment by tax supported public schools. All funds accruing from contracts entered into by a district school and a federal agency, pursuant to regulations of the State Board, must be accounted for as prescribed by the State Board.

The State Commissioner is responsible for recommending ways of cooperating with the federal government on any phase of the educational program in which cooperation is desirable. The Commissioner recommends policies for administering funds appropriated from federal sources and apportioned to the State for any educational purpose, and executes or provides for the execution of all plans and policies approved by the State Board.

Local school systems receive funds from the federal government both directly and through the State as a distribution agency. Federal school funds received by local school systems may be administered by various agencies such as the Department of Labor, Veterans Administration, Department of Interior, Department of Health, Education and Welfare, Office of Economic Opportunity, Department of Defense and Department of Agriculture.

Some of the federal acts under which the local school systems receive federal school revenue are:

National Defense Education Act of 1958, PL 85-864, as amended (NDEA, Title III phased out by 1977)
Higher Education Facilities Act of 1963, PL 88-204
Comprehensive Employment Training Act, 1973
Vocational Education Act of 1963, PL 88-210, as amended by PL 90-576
Civil Defense Act, PL 81-920, as amended
Economic Opportunity Act of 1964, PL 88-452
Elementary and Secondary Education Act of 1965, PL 89-10, as amended (ESEA Titles II, III, and V phased out by 1977)
National School Lunch Act of 1946, PL 79-396, as amended
Veterans' Readjustment Assistance Act of 1952, PL 82-550, as amended
School Assistance (Construction) in Federally Affected Areas, PL 81-815, as amended
School Assistance (Current Operation) in Federally Affected Areas, PL 81-874, as amended
Civil Rights Act of 1964, PL 88-352

Federal Communications Act (ETV Facilities), PL 87-447
Education Professions Development Act, PL 89-329, Part B-2
Education of the Handicapped Act, PL 91-230
Adult Education Act, Title III, PL 91-600, as amended
Education Amendments of 1974, Title IV, PL 93-380 (50% phase in by 1975-1976 and completely operational by 1977)

This document addresses the funding of public education in the State. It does not describe financial support of the community colleges nor universities.

DESCRIPTION OF

STATE DISTRIBUTIONS

FLORIDA EDUCATION FINANCE PROGRAM

LEGAL AUTHORIZATION. -- Sections 236.012-236.68, Florida Statutes

REQUIREMENTS FOR PARTICIPATION. -- Each district which participates in the state appropriations for the Florida Education Finance Program (FEFP) shall provide evidence of its effort to maintain an adequate school program throughout the district and shall meet at least the following requirements:

(1) Maintain adequate and accurate records including a system of internal accounts for individual schools, and file with the Department of Education, in correct and proper form, on or before the date due, each annual or periodic report which is required by the regulations of the State Board.

(2) Operate all schools for a term of at least 180 actual teaching days or the equivalent on an hourly basis. Upon written application, the State Board may prescribe procedures for altering this requirement.

(3) Provide written contracts for all instructional personnel and require not less than 196 days of service for all members of the instructional staff. Principals and other special instructional personnel are required to be employed on a twelve month basis.

(4) Expend funds for salaries in accordance with a salary schedule or schedules adopted by the School Board in accordance with the provisions of law and regulations of the State Board.

(5) Observe all requirements of the State Board relating to the preparation, adoption and execution of budgets for the district school system.

(6) Make the minimum financial effort required for the support of the Florida Education Finance Program as prescribed by law.

(7) Maintain an ongoing systematic evaluation of the educational program needs of the district and develop a comprehensive annual and long-range plan for meeting the needs and annually submit the plan to the Department of Education.

(8) Develop and maintain a method of evaluating the comprehensive

plan and annually report the results of the evaluation to the Commissioner of Education.

(9) Levy the required local effort millage rate but no more than 8 mills on the nonexempt assessed valuation of the district, exclusive of the district millage voted for capital outlay purposes, and required debt services under the provisions of Article VII Sections 9(b) and 12 of the State Constitution.

DEFINITIONS. -- The following statements define terms used in the Florida Education Funding Program.

Membership hour. -- A membership hour is sixty minutes of the district's instructional program as defined by district school board minutes. Instructional periods other than sixty minutes should be converted to two place decimal form. For example, a student with six periods of 55 minutes (.92 hour) would be in membership 5.52 hours per day.

Full-time Student. -- The following statements define a full-time student in accordance with the provisions of the FEFP:

(a) Grades 4-12 and adult (regular session)

One student on the membership roll of one school program or a combination of school programs for five school days (one school week) or the equivalent consisting of not less than 25 net hours.

(b) Grades 4-12 (double session)

One student on the membership roll of one school program or a combination of school programs for five school days (one school week) or the equivalent consisting of not less than 22 1/2 net hours.

(c) Kindergarten - Grade 3 (regular session)

One student on the membership roll of one school program or a combination of school programs for five school days (one school week) or the equivalent consisting of not less than 20 net hours.

(d) Kindergarten - Grade 3 (double session)

One student on the membership roll of one school program or a combination of school programs for five school days (one school week) or the equivalent of not less than 17 1/2 net hours.

Part-time student. -- A student on the active membership roll of a school program or a combination of school programs for less than the net hour requirements for a full-time student.

Full-time equivalent student. -- The following statements define a full-time equivalent student in accordance with the provisions of the FEFP:

(a) A full-time student in any of the programs listed in the FEFP.

(b) A combination of full-time or part-time students in one of the programs listed in the FEFP which is the equivalent of one full-time student based on the following calculations:

A full-time student, except post-secondary and adult, in a combination of programs listed in the FEFP shall be a fraction of a full-time equivalent membership in each program equal to the number of net hours per week for which he is a member divided by 25.

A student in the basic half-day kindergarten program of not less than 12 1/2 net hours shall earn 1/2 of a full-time equivalent membership.

A part-time student, except post-secondary and adult, shall be a fraction of a full-time equivalent membership in each basic and special program equal to the number of net hours or major fraction thereof per week for which he is a member divided by 25.

All post-secondary and adult students shall be a portion of a full-time equivalent membership in each special program equal to the net hours or major fraction thereof per fiscal year for which he is a member, divided by 900.

For purposes of calculating the current operating program, a student is considered in membership until he withdraws or until the sixth consecutive school day of his absence, whichever comes first.

Determination of full-time equivalent membership. -- During each of several specified school weeks during the fiscal year a program membership survey of each school is made by each district by aggregating the full-time equivalent student membership of each program by school and by district.

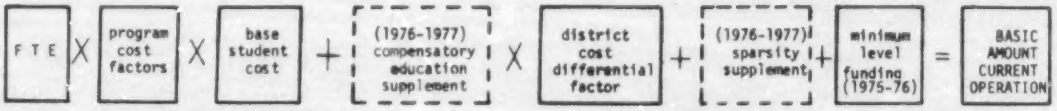
Base student cost. -- The base student cost is determined annually by the Legislature. For the 1975-1976 school fiscal year, the base student cost is fixed at $745.

Program cost factor. -- The Legislature established cost factors based on relative cost differences between the programs listed below. The cost factors are displayed as multiples of the base student cost. For example, the kindergarten cost factor is 1.234 X $745, or $919.43. The application of cost factors in part-time programs for exceptional students is limited to a maximum of twelve twenty-fifths of a student membership in a given program during the week.

Basic programs	Cost Factors
Kindergarten and Grades 1, 2, and 3	1.234
Grades 4, 5, 6, 7, 8, and 9	1.00
Grades 10, 11, and 12	1.10
Special programs for exceptional students	
Educable mentally retarded	2.30
Trainable mentally retarded	3.00
Physically handicapped	3.50
Physical & occupational therapy, part-time	6.00
Speech and hearing therapy, part-time	10.00
Deaf	4.00
Visually handicapped, part-time	10.00
Visually handicapped	3.50
Emotionally disturbed, part-time	7.50
Emotionally disturbed	3.70
Socially maladjusted	2.30
Specific learning disability, part-time	7.50
Specific learning disability	2.30
Gifted, part-time	3.00
Hospital & homebound, part-time	15.00
Special Vocational-Technical Programs	
Vocational Education I	4.26
Vocational Education II	2.64
Vocational Education III	2.18
Vocational Education IV	1.69
Vocational Education V	1.40
Vocational Education VI	1.17
Special Adult General Education Programs	
Adult basic education & adult high school	1.28
Community service	0.675

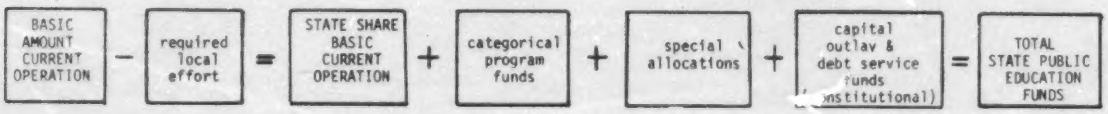
FORMULA FOR DISTRIBUTING STATE DOLLARS

The BASIC AMOUNT FOR CURRENT OPERATION under the FEFP for each district is determined by the following method:



1. the full-time equivalent student member in each program; multiplied by
2. the cost factor for each program; multiplied by
3. the base student cost factor; plus
4. the compensatory education supplement (beginning 1976-1977); multiplied by
5. the district cost differential factor; plus
6. the sparsity supplement (beginning 1976-1977); plus
7. the minimum level funding (no loss or hold harmless) (1975-1976)

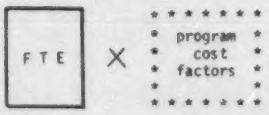
The TOTAL STATE FUNDS for the support of public education is determined in the following manner:



1. from the basic amount for current operation subtract
2. the required local effort
3. to the remainder which is the state share of the basic current operation; add
4. the categorical program funds; add
5. any special allocations due; add
6. the constitutional capital outlay and debt service

The result is the total state allocation to public schools.

The following paragraphs more fully describe each step in the funding formula.



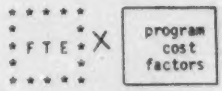
Section 236.081(1)(a), Florida Statutes, specifies that full-time equivalent membership is determined in the following manner. During each of several school weeks during the fiscal year, a program membership

survey of each school is made by each district by aggregating the full-time equivalent student membership of each program by school and by district. The Department shall establish the number and interval of membership calculations, except that such calculations shall not exceed nine for any fiscal year. The district's full-time equivalent membership is computed and currently maintained in accordance with regulations of the State Board.

Section 6A-1.451(3), State Board Regulations, establishes that during the year, at least four full-time equivalent student membership surveys are conducted under the administrative direction of and on the schedule provided by the Commissioner. The second and the third full-time equivalent student membership survey for students in a program scheduled for one-hundred eighty school days shall each be equal to 90/180 of the school year. Students in a program scheduled for less than 180 school days in any full-time equivalent student membership survey shall be a fraction of a full-time equivalent member.

Any student in membership one or more days during the survey period is considered as earning FTE for the entire period that the sampling represents. A student is considered in membership until he withdraws or until the sixth consecutive school day of his absence, whichever comes first. Definitions of a full-time student, a part-time student, and a full-time equivalent student are included in the definition section of this report.

The student and school FTE report forms are supplied by the Department of Education to the school districts.



The FTE is multiplied by the appropriate program cost factor. The 26 programs identified by the Legislature are arranged into areas consisting of (1) basic programs, (2) special programs for exceptional students, (3) special vocational-technical programs, and (4) special adult general education programs. The cost factors identified for the programs range from 0.675 for adult community services in the area of special adult general education programs and 1.00 for grades 4-9 in the basic education programs to a high of 15.00 for hospital and homebound part-time students in the special programs for exceptional students. The cost factors are displayed as multiples of the base student cost and are identified in the definitions section of this document. The application of the program cost factors to the full-time equivalent membership results in a weighted FTE for each program.

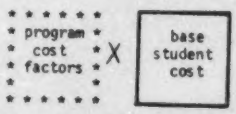
1975-1976 Constraints. The 1975 Legislature placed the following constraints or caps on the level of state support in certain of the program areas.

(1) There is no limit specified in the category of basic programs for grades K-12.
(2) The weighted full-time equivalent student membership in special programs for exceptional students shall not exceed 185,055.
(3) The weighted full-time equivalent student membership in special vocational-technical programs shall not exceed 302,2C3.
(4) The weighted full-time equivalent student membership in special adult general education programs shall not exceed 30,149, of which 27,184 shall be adult basic education and adult high school full-time equivalent students, and 2,965 shall be community service full-time equivalent students.

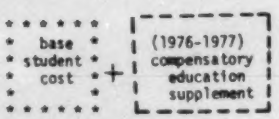
The Department of Education is directed to review the method of projecting enrollment and determining incidence in all special programs for exceptional students, special vocational-technical programs and special adult general education programs and to report to the 1976 Legislature a 3 year projection of full-time equivalent students in these programs.

Administering maximums. In administering the maximums, the Department shall review each district's program and needs with each scheduled student membership survey and may reassign the authorized weighted membership within the maximums provided.

In any district in which the actual full-time equivalent membership multiplied by the appropriate cost factors exceeds the assigned maximum, such excess full-time equivalent student membership is computed at a cost factor of 1.00. Excess full-time equivalent membership in adult community service programs is computed at a cost factor of 0.0.



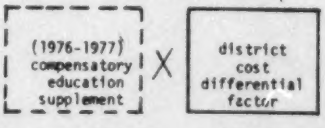
The base student cost is determined annually by the Legislature. For the 1975-1976 school fiscal year, the base student cost is fixed at $745.



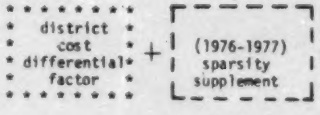
Beginning with the 1976-1977 fiscal year, a supplement to the base student cost shall be added to all full-time equivalent students in basic programs qualifying for compensatory education in accordance with

criteria, including low achievement test scores, socio-economic level, and low standard English comprehension level,established by regulations of the State Board. Such regulations shall be designed to maintain consistency with applicable Federal law and regulations so as to prevent impairment, interruption, or loss of any federal funds allocated to the State for compensatory education of public school students.

The Department of Education shall, after taking into consideration all funds available from all sources, annually recommend to the Legislature an amount sufficient to carry out the purpose of this program. The Legislature shall annually fix such supplements on a full-time equivalent student basis.



Next, the district cost differential factor is applied to the formula. The cost differential factors are determined by Legislature and range from a low of 0.9030 to a high of 1.0650. See Appendix H for a list of the 1975-1976 district cost differential factors.



Beginning with the 1976-1977 fiscal year a sparsity supplement is added to the budgets of those districts qualifying. The index of extra cost to school districts due to sparsity of pupil population for equivalent educational programs is computed as follows:

$$\text{Sparsity factor} = \left\{ \frac{1101.8918}{\text{2700 plus the sparsity index of the district}} \right\} \text{ minus } .1101$$

Districts with a sparsity index of 1,000 or less are computed as having a sparsity index of 1,000 and districts having a sparsity index of 7,308 and above are computed as having a sparsity factor of 0.

The district sparsity index is computed by dividing the total number of full-time equivalent students in all programs in the district by the number of senior high school centers in the district, not in excess of three. The senior high school centers must be approved as permanent centers by a survey made by the Department of Education.

Such supplement shall be funded annually as provided by law and in

accordance with the sparsity factors established by the Department of Education.

For the 1976-1977 fiscal year and every year thereafter, no county may receive a sparsity supplement unless it is determined by the Department of Revenue current ratio study that the county has assessed at least the statewide average percent of its taxable revenue.

No money was appropriated for support of the sparsity supplement for fiscal year 1975-1976.

A minimum level funding (no loss provision) is added which guarantees that each district will receive a minimum level of funding per full-time equivalent student in 1975-76 equal to the amount per full-time equivalent student received in 1974-75.

The 1974-75 figure is determined by multyplying the weighted full-time equivalent membership by the base student cost, adjusting by the district cost differential,subtracting the required local effort, and adding the yield of the actual nonvoted millage. The figure obtained is divided by the actual full-time equivalent membership to determine the funding per student.

The 1975-76 figure is determined in the same manner; except that in determining the yield from local millage, the value of eight mills on the current roll is utilized, regardless of the millage actually levied.

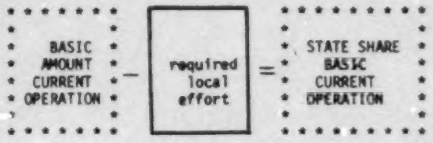
If the amount per full-time equivalent student for 1975-76 in a district does not equal or exceed the amount calculated for 1974-75, then the state allocation is increased to that district in an amount sufficient to maintain the required level of funding.

Over or Under Funding. -- If the funds appropriated for the total program are insufficient to pay the requirements in full, a procedure for prorating available funds is established to insure maintenance of the equalization principle.

If the funds appropriated for 1975-76 exceed the amount necessary to pay all requirements in full, the Department is authorized to increase the "caps" on weighted membership of special programs, and apply the excess appropriation to the funding of such programs.

Prior Year Adjustments. -- A provision is also added to authorize the Department to make prior-year adjustments in the allocation of

funds to a district for arithmetical errors, assessment roll changes, full-time equivalent membership errors, or allocation errors revealed in an audit report.

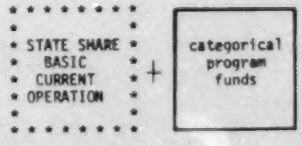


The district required local effort is subtracted from the basic amount for current operations. The amount (required local effort) that each district shall provide toward the cost of the Florida Education Finance Program shall be calculated in the following manner.

Annually on or before July 25, the Department of Revenue shall, based upon the latest available data, certify to the Department of Education its latest estimate of the current total statewide nonexempt assessed valuation for school purposes. Not later than August 1, the Department of Education shall compute the millage rate which, when applied to 95% of said estimate, would generate an amount equal to $543,000,000 (established by Legislature for 1975-1976).

The millage so determined is certified by the Department to each school district, and such millage rate as applied to the official final roll is the required local effort for each district. The official final tax roll is the tax roll on which tax bills are computed and mailed to the taxpayers.

In 1975-1976, district required local effort is 6.2931 mills.



Categorical program funds are added to the basic FEFP program funds distributed to districts. These categorical appropriations may be funded as general and transitional categorical programs. It is the intent of the Legislature that no transitional categorical program be funded for more than four fiscal years from the date of original authorization or from July 1, 1973, whichever is later. The 1975-1976 categorical programs are as follows:

General Categorical Programs

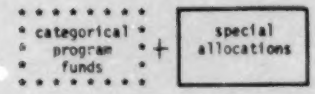
Legal Authorization	Program Title	1975-76 Appropriation
236.084	Comprehensive School Construction and Debt Service	$92,000,000 (K-12)* $19,500,000 (Voc-Tec)*
228.071	Community Schools	$ 1,612,392
229.545	Educational Leadership Training Programs	none
228.195	School Lunch Programs for the Needy	$ 3,953,239**
236.122	Instructional Materials	$12,782,617
233.069	Vocational Improvement Fund	none
236.083	Student Transportation	$38,168,174

Transitional Categorical Programs

none	Bilingual Program (1973)#	none
233.063	Driver Education (1973)# (Program funded in basic FEFP, 1975-1976)	none
236.086	Elementary School Counselors (1973)#	$ 6,460,778
236.085	Occupational Specialists and Placement Specialists (1973)#	$ 6,616,217
232.255	Safe Schools Program (1973)#	none
233.067	Comprehensive Health Education Program (1973)#	$ 1,023,918
229.832	Exceptional Child Support Services (1974)# (Regional Diagnostic-Resource Centers for Exceptional Students)	$ 585,000
230.23	Severely and Profoundly Retarded (1973)#	$ 800,000
229.840	Career Education Programs (1974)#	$2,750,000

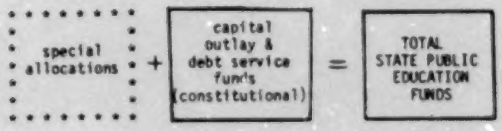
* Public Education Capital Outlay and Debt Service Trust Fund
** These funds used for state matching of federal food and nutrition funds
# Date of original authorization or 1973 whichever is later

Additional information is contained in Appendix B.



Any special allocation of state dollars to districts is added to the amount distributed to districts. One such allocation is the District Environmental Education Act of 1973 (Section 229.8055, FS) as amended in 1975. This act specifies that each district school board, and each school principal through the district school board, may submit to the Commissioner a proposed program designed to effectuate an exemplary environmental education project in the district. In practice, all 67 school districts have participated in the program each year and project funding has ranged from $500 to $10,000. During the 1975-1976 fiscal year there is a $300,000 appropriation to be distributed among proposed projects.

Another example is the provision of instructional materials for the visually handicapped of the State as provided in Section 233.056, Florida Statutes. The appropriation of $125,000 (1975-1976) for the support of an instructional materials center is to provide materials for the visually handicapped throughout the State.



Article XII, Section 9(d), of the Constitution of the State of Florida provides capital outlay and debt service funds for school districts. It specifies that the first proceeds of the revenues derived from the licensing of motor vehicles shall be distributed annually among the school districts in the ratio of the number of instruction units.

For distribution purposes, the 1967-68 school fiscal year was established as a base year with districts receiving $600 per instruction unit up to the 1967-68 total and $800 per instruction unit for those units above the base. The units beyond the base are designated "growth units."

Section 236.602(1), Florida Statutes, specifies the procedures for computing instruction units from FTE's. The number of current instruction units in districts is computed annually by the Department by multiplying the number of full-time equivalent students in each district by the program cost factors (Section 236.081(1)(c), Florida Statutes) and dividing by twenty-three, except that all basic program

cost factors shall be one, and the special program cost factors for hospital and homebound part-time and for adult community service shall be zero.

Any portion of the fund not expended during any fiscal year may be carried forward.

The previous pages describe the formula for distributing state dollars for the support of public education in Florida.

The appendices provide additional or more detailed information.

SUMMARY STATE FUNDS

PUBLIC EDUCATION 1975-76

Category	Amount
Florida Education Finance Program	$968,418,839
Categorical Programs	
General Programs	
Comprehensive School Construction and Debt Service	92,000,000*
Community Schools	19,500,000*
Educational Leadership Training	1,612,392
School Lunch Program	None
Instructional Materials	3,953,239
Vocational Improvement Fund	12,782,617
Student Transportation	None
Transitional Programs	38,168,174
Bilingual Program	
Driver Education	None
Elementary School Counselors	None
Occupational and Placement Specialists	6,460,778
Safe Schools Program	6,616,217
Comprehensive Health Education Program	None
Exceptional Child Support Services (Diagnostic-Resource Centers)	1,023,918
Severely and Profoundly Retarded	585,000
Career Education Programs	800,000
	2,750,000
District Environmental Education Program	$ 300,000
K-12 Capital Outlay and Debt Service	$ 53,348,814**
Visually Handicapped Resources (Instructional Materials Center)	$ 125,000
(Required Local Effort)	($543,000,000)

* Public Education Capital Outlay and Debt Service Trust fund in which the Gross Receipts Tax Trust Fund is deposited

** County Capital Outlay and Debt Service Trust Fund

Appendix B
CATEGORICAL PROGRAMS

GENERAL CATEGORICAL PROGRAMS

Program Title: Comprehensive School Construction and Debt Service

Legal Authorization: Section 236.084, F.S.
Article XII, Section 9(a) Florida Constitution

Appropriation: $92,000,000 (1975-1976)--approved capital outlay projects for public schools of 67 districts
$19,500,000 (1975-1976)--approved capital outlay projects for vocational-technical centers in 21 districts

These funds, along with specified amounts to the Boards of Trustees of Community Colleges, the Board of Regents and the Board of Trustees of the Florida School for the Deaf and Blind, are allocated as moneys become available pursuant to section 9(a) of Article XII of the State Constitution, as amended. The State Board of Education may allocate up to the amount authorized for approved capital outlay projects. However, funds appropriated from this source and remaining unexpended from previous authorized projects along with grants, donations, and matching funds from other sources may be added to such maximum sums for any item or category when approved by the State Board of Education.

The funds authorized herein represent 1 1/2% of the bond proceeds of the gross utilities receipts tax.

Basis for distribution. -- The annual allocation to each district is determined as follows:

(1) Determine the cost of the projected school plant needs, the five year projected debt service needs, and the expenditures of ad valorem taxes in excess of 10 mills for each district. Funds budgeted from current ad valorem tax revenue will not be considered in determining the unmet need until the School Board encumbers or expends such funds. (See Section 237.084(1), F.S.)
(2) Determine the projected additional resources available under the provisions of Section 9(d), Article XII of the State Constitution as amended in 1972, and the projected amount available to each district from other fund sources allocated for school plants.
(3) From the costs of the projected school plant and 5-year projected debt service needs on local bond issues for each district subtract the projected additional resources available and add the expenditure of ad valorem taxes in excess of 10 mills. The result represents the estimated cost of unfunded school plant and debt service needs for each district.

(4) The funds are allocated to the respective districts in proportion to their percentage of the state total of unfunded school plant and debt service needs.

Relocatables provided under Section 235.211, F.S. are included in the district inventory of school facilities, but shall only be rated at one-half of actual pupil capacity for purposes of the inventory and future needs determination.

Relocatable facilities (Section 235.211, F.S.). -- Upon the request of the School Board, the State Board provides relocatable educational facilities for use at school centers where there is an immediate need for pupil stations and where there is reason to believe the pupil population will not remain stable.

The Department is empowered and directed to provide systems-based, modular, relocatable facilities and to purchase or contract for purchase of such modular relocatable facilities. The ownership of such facilities rests with the State Board, and they are loaned to district school boards for use as instructional facilities on a pupil-station-need basis.

Requests for use of these facilities are based on the relative numbers of students in each district in excess of the single-session capacity of the district.

Program Title: Community School Program

Legal Authorization: Section 228.071, F.S.

Appropriation: $1,612,392 (1975-1976)

The community school promotes a more efficient use of school and other public facilities through an extension of personnel, buildings, and equipment. The purpose of the act is to provide state leadership and financial support by encouraging and assisting local school districts, the Florida School for the Deaf and the Blind, and other local governmental agencies in the establishment of community schools.

Basis for distribution. -- Pursuant to policies and regulations adopted by the State Board of Education, each school board and the Board of Trustees for the Florida School for the Deaf and the Blind may submit to the Department a request for a community school grant. For those programs approved, the Department authorizes distribution of a community school grant not to exceed one-half of the salary of the Community school coordinator or $6,000 whichever is less per school year per community school.

Program Title: Educational Leadership Training Program

Legal Authorization: Section 229.545, F.S.

Appropriation: none (1975-1976)

The Florida Educational Leadership Training Act (FELTA) promotes programs designed to identify and train school board members, district administrators, supervisors, principals, assistant principals, vocational education program administrators, community college administrators, and persons who are potential candidates for employment in such administrative and supervisory positions.

Basis for distribution. -- Pursuant to policies and regulations adopted by the Commissioner, each school board may submit to the Commissioner a proposed program. For those programs approved by the Commissioner, the Commissioner is authorized to distribute the funds appropriated in an amount not to exceed one-half of the total cost of the proposed program. However, no funds were appropriated for this program for the 1975-1976 fiscal year.

Program Title: School Lunch Programs for the Needy

Legal Authorization: Section 228.195, F.S.

Appropriation: $3,953,239 (1975-1976)--used for state matching of federal food and nutrition funds

It is the policy of the State to safeguard the health and well-being of Florida children by providing standards for school food service and by requiring school districts to establish and maintain an appropriate non-profit school food service program consistent with the nutritional needs of children.

Basis for distribution. -- The State provides the per meal difference, when the computed cost of meals served to economically needy children exceeds:

(a) income from federal sources,
(b) receipts from the sale of reduced price meals.

The computed cost of meals shall not exceed the necessary cost of obtaining, preparing, and serving such meals as prescribed by regulations of the State Board.

Program Title: Instructional Materials

Legal Authorization: Section 236.122, F.S.

Appropriation: $12,782,617 (1975-1976)

The Department is authorized to allocate and distribute to each district an amount as prescribed annually by the Legislature for instructional materials use in grades K-12, exceptional education programs and vocational education programs, which will provide for growth and maintenance needs.

Basis for distribution: growth allocation. -- The growth allocation for each school district is calculated as follows:

(a) subtract the prior year's full-time equivalent membership of the district from the district's projected full-time equivalent membership used in determining the appropriation for the FEFP program;
(b) multiply any increase in full-time equivalent membership by the average cost of a set of instructional materials, including a proportional amount for freight or transportation charges as determined by the Department or as provided in the general appropriations act;
(c) the amount thus determined is that district's total allocation for growth for the school year.

Basis for distribution.-- maintenance of instructional materials. -- The maintenance of the instructional materials allocation for each school district is calculated by:

(a) multiplying each district's prior year full-time equivalent membership by 20% of the average cost of a set of instructional materials as determined above;
(b) the amount thus determined is that district's total allocation for maintenance for the school year.

In the event the funds appropriated are not sufficient for the purpose of implementing this section in full, the Department prorates the funds available for instructional materials after first funding in full each district's growth allocation.

Program Title: Vocational Improvement Fund

Legal Authorization: Section 233.069, F.S.

Appropriation: none (1975-1976)

Beginning with the 1971-72 school year, priority projects in the use of funds appropriated under this section are the development of vocational education programs for the disadvantaged, introductory vocational curricula for junior high and middle schools, training and inservice projects for improving vocational counseling, the career associate program, the development of information systems, and job placement services for graduates of vocational education programs, training, inservice and recruiting projects for vocational teachers and support personnel and projects, such as local education authorities, designed to re-structure vocational education and insure greater community involvement.

Basis for distribution. -- The Board of Education establishes rules and regulations under which project applications are submitted and funds awarded. District school boards are eligible to apply for such funds. No funds were appropriated for the 1975-1976 fiscal year.

Program Title: Student Transportation

Legal Authorization: Section 236.083, F.S.

Appropriation: $38,168,174 (1975-1976)

This Act supports the allocation of funds to each district for transportation to the public schools of students in kindergarten through grade 12 and exceptional students.

Basis for distribution. -- Each school district determines the membership of students who are transported:

(a) by reason of living two miles or more from school;
(b) by reason of being physically handicapped, regardless of distance to school; and
(c) by reason of being vocational and exceptional students transported from one school center to another.

Subject to the regulation of the State Board, each district determines and reports the one-way route mileage required to transport students to school for the first time on any school day and the one-way miles on routes between school centers required to transport exceptional students and vocational students to centers where appropriate programs are provided.

A density index for each school district is computed by the Department annually by dividing the membership of transported students by the bus route mileage.

The allocation for each district for a 180 day school term is calculated in accordance with the folowing formula:

$$\text{Allowable per student cost} = \frac{434.77}{2 + \text{density index of district}} \text{ minus } 13.65$$

Districts with a density index of 1.10 students per route mile or less will be computed as having a density index of 1.10, and districts with a density of 5.90 or more students per route mile will be counted as having a density index of 5.90.

The allocation to each district for transportation is determined by multiplying the allowable cost per student by the membership of all students who are transported.

Provision is made to adjust the transportation allocation proportionately for any school district which provides transportation for a period of time either less than or in excess of the basic 180 days.

Funds allocated or apportioned for the payment of student transportation services may be used to pay local general purpose transportation systems for transportation of students to and from school.

TRANSITIONAL CATEGORICAL PROGRAMS

Program Title: Bilingual Program

Legal Authorization: Federal legislation only

Appropriation: none (1975-1976)

Legal authorization for this program resides in federal legislation. There is no state legislation addressing bilingual programs.

Program Title: Driver Education

Legal Authorization: Section 233.063, F.S.

Appropriation: none (1975-1976)

Beginning with the 1975-1976 school year, a course of study and instruction in the safe and lawful operation of a motor vehicle shall be made available by the district school board to any student in the secondary schools in the State. The course shall not be made a part of or a substitute for any of the minimum requirements for graduation. In order to make the course available to any secondary student, the district school board may use any one of the following procedures or any combination thereof:

(a) utilize instructional personnel employed by the board,
(b) contract with a commercial driving school licensed under the provisions of Florida Statutes,
(c) contract with an instructor certified under the provisions of Florida Statutes.

Basis for distribution. -- School districts earn funds on full-time equivalent students at the appropriate basic program cost factor regardless of the method by which such courses are offered.

Section 322.21, F.S. requires that for the purpose of financing the driver education program in the secondary schools, there is levied an additional 50 cents per year to the driver's license fee. The additional fee is remitted to the Department of Highway Safety and Motor Vehicles and the Department transmits the fee to the State Treasurer to be deposited in the general revenue fund. All moneys appropriated annually for driver education are allocated by the Department of Education to the respective school boards in a uniform manner, reimbursing them for the expense of their driver education program to the extent that the appropriation will permit.

Program Title: Elementary School Counselors

Legal Authorization: Section 236.086, F.S.

Appropriation: $6,460,778 (1975-1976)

This program authorizes financial support for elementary school counselors.

Basis for distribution. -- The Department is authorized to allocate an amount as prescribed annually by the Legislature for elementary school counselors to the districts in the same ratio as the full-time equivalent student membership of the district to the full-time equivalent student membership of the State for the prior year in grades kindergarten through 6, for the employment of qualified elementary school counselors in accordance with the regulations prescribed by the State Board.

Program Title: Occupational Specialists and Placement Specialists

Legal Authorization: Section 236.085, F.S.

Appropriation: $6,616,217 (1975-1976)

This program authorizes financial support for occupational specialists and placement specialists.

Basis for distribution. -- The Department is authorized to allocate an amount as prescribed annually by the Legislature to each district for employment of occupational specialists and placement specialists in the same ratio as the full-time equivalent student membership in vocational programs to the full-time equivalent student membership in vocational programs of the State for the prior year, in accordance with regulations prescribed by the State Board.

Program Title: Safe Schools Program

Legal Authorization: Section 232.255, F.S.

Appropriation: none (1975-1976)

It is the intent of the Legislature to provide a fund to assist the local school districts in utilizing their administrative capacity to maintain a safe and orderly learning environment.

Basis for distribution. -- Each school district is eligible to receive an amount of school safety funds per year up to the sum available to such district produced by the following formula, based on full-time equivalent student membership during the preceding year:

(a) for the first 30,000 full-time equivalent students: $1.40 per student,
(b) for the next 20,000 full-time equivalent students: $1.80 per student,
(c) for the next 15,000 full-time equivalent students: $2.35 per student,
(d) for all full-time equivalent students in excess of 65,000: $4.00 per student.

The law provides that each school district receive a minimum of $5,000. If there are additional funds appropriated, each school district shares in said additional funds in proportion to the amount its entitlement above set forth bears to the amount appropriated. However, no moneys were appropriated for this program for the 1975-1976 fiscal year.

Program Title: Comprehensive Health Education Program

Legal Authorization: Section 233.067, F.S.

Appropriation: $1,023,918 (1975-1976)

The Comprehensive Health Education Act of 1973 creates a comprehensive health education program for children and youths in kindergarten through grade 12.

Basis for distribution. -- Pursuant to policies and regulations adopted by the Commissioner of Education, each district school board, and each school principal through the district school board, may submit to the Commissioner a proposed program designed to effectuate an exemplary comprehensive health education project in the district or school.

The Commissioner shall review and approve, disapprove, or return for modification all proposed comprehensive health education programs submitted. For those programs approved, the Commissioner authorizes distribution of funds equal to the cost of the program from funds appropriated to the Department of Education for comprehensive health education purposes.

Program Title: Exceptional Child Support Services
(Regional Diagnostic and Resource Centers for Exceptional Students)

Legal Authorization: Section 229.832, F.S.

Appropriation: $585,000 (1975-1976)

Section 229.832, Florida Statutes, establishes 16 regional diagnostic and resource centers for exceptional students. This act was amended by the 1975 session to increase the number of centers from sixteen to eighteen. Districts authorized to establish centers are Alachua, Bay, Brevard, Broward, Dade, Duval, Escambia, Hillsborough, Lee, Leon, Marion, Okaloosa, Orange, Pinellas, Polk, Palm Beach, Sarasota and Volusia.

Basis for distribution. -- The funds are distributed on a population formula to the 18 districts operating regional diagnostic and resource centers. Funds are obligated through contract procedures and regions are defined in such a way to serve all 67 school districts.

Program Title: Severely and Profoundly Retarded

Legal Authorization: Section 230.23, F.S.

Appropriation: $800,000 (1975-1976)

Each school board provides an appropriate program of special instruction for exceptional children. Programs are implemented in annual increments so that all exceptional children are served, except that all severely and profoundly retarded children will be served by 1977-1978.

Basis for distribution. -- Pursuant to regulations adopted by the State Board of Education, a school board may submit to the Commissioner a proposal for a grant for programs for the severely and profoundly retarded.

Program Title: Career Education

Legal Authorization: Section 229.840, F.S.

Appropriation: $2,750,000 (1975-1976)

This program authorizes financial support for career education programs.

Basis for distribution. -- The Department is authorized to allocate an amount as prescribed annually by the Legislature to each district for career education, in the same ratio as the full-time equivalent student membership in grades K-12 of the district bears to the full-time equivalent student membership in grades K-12 of the State for the prior year, in accordance with regulations prescribed by the State Board. However, no district shall receive less than $10,000 in any fiscal year.

Appendix C
PROVISIONS FOR SCHOOL BUDGETS

Legal Authorization: Sections 237.071 and 237.081 F.S.; Section 6A-1, SBE Regulations

Annual budget forms for all school districts are prescribed by the State Board and provided to the districts by the State. Districts may, however, use any supplementary forms they find desirable. The school fiscal year in all district school systems covers the period from July 1 through June 30.

Local approval---School budgets are prepared by the district superintendent and submitted to the district school board on or before September 1. The school board of any district proposing a tax levy for current operating purposes no greater than the minimum tax levy required to participate in the Florida Education Finance Program, shall cause a summary of its tentative budget, including the proposed millage levies as provided by law, to be advertised one time in a newspaper of general circulation published in the district, or to be posted at the courthouse door if there is no such newspaper. The advertisement shall state that the school board will meet on a day fixed in the advertisement, not earlier than one week and not later than two weeks from the date of the advertising, for the purpose of a public hearing concerning the tentatively adopted budget.

Any school board proposing to establish a tax levy for operating purposes in excess of the millage required of the district to participate in the Florida Education Finance Program shall, in addition to the above requirements, place an additional advertisement in the same newspaper which shall be one-quarter page in size and be printed in at least 18 point type-size. The advertisement shall contain the millage required to be levied by the school board and the millage proposed by the board, the date, time, and place of the meeting, and state that a public hearing will be held on the issue. The school board shall meet u[illegible]e date fixed in the advertisement for the public hearing and from [illegible] day thereafter, if it deems necessary, for the purpose of conti[illegible]ne public hearings and making whatever revisions in the budget it may deem necessary.

School board approval of the budget is required by October 1, at which time the budget is transmitted to the Department of Education for approval as prescribed by law and regulations of the State Board.

State Review and Approval (Section 6A-1.04, SBE Regulations)---School board approval of the budget is required on or before October 1 of each year at which time the budget is required to be transmitted to the Commissioner of Education. The State Board prescribes all necessary regulations to guide the State Commissioner in examining budgets submitted by the school boards. The Commissioner has authority to require budgets to be revised only when they have not been correctly prepared; that is, when the proper forms have not been used, the estimates are incorrect, budgets are out of balance, or proposed expenditures are illegal. In addition, cash

balances in budgets to be carried forward may not exceed 20% of the anticipated tax receipt for operational purposes and unappropriated funds balances may not exceed 5% of total operations and transfers for operational purposes. Also, the district budget must include an amount for local required effort for current operation, in accordance with the requirements of Section 236.081(5), F.S.

If the budget as submitted to the Commissioner of Education is defective, a written report shall be made to the superintendent of schools within 30 days. The school board must authorize the required changes and resubmit the budget with the corrections within 15 days from the date of the report from the Commissioner.

Appendix D
PROGRAM INFORMATION AND AUDIT

Section 237.35, F.S., specifies that the Commissioner of Education shall examine district procedures and the accuracy of district records including, but not limited to, the following:

(a) reported full-time equivalent membership in each program category,
(b) the organization of all special programs to ensure compliance with law and the criteria established pursuant to Sections 230.23(4)(m) and 233.0633, F.S.;
(c) the procedures for diagnosis and placement of students in special programs for exceptional students to determine that the district is following the criteria for placement established by the Department of Education and the procedures for placement established by the district school board,
(d) the standards by which special programs for exceptional students, special vocational-technical programs, and special adult general education programs are evaluated for quality, efficiency, and effectiveness,
(e) determination of the ratio of administrators to teachers in each school district (this information is reported to the Legislature), and
(f) compliance with the cost reporting and expenditure requirements of Section 237.34, F.S.

If discrepancies or deficiencies are found, the Commissioner of Education provides information and assistance to the superintendent and personnel of the district in correcting the cited deficiencies. If it is determined that approved criteria and procedures for the placement of students and the conduct of programs have not been followed by the district, appropriate adjustments in the district's full-time equivalent student count is made and any excess funds are deducted from subsequent allocations of state funds to that district.

The Commissioner of Education shall develop and implement an integrated information system for public school educational management. Such system shall contain an overall conceptual design encompassing the management decisions to be made at the individual school, district and state level and the information needed for such decisions to include fiscal, student, program, personnel, facility, community and other relevant data and the relationship between costs and effectiveness. By February 1, 1976, the Commissioner shall submit an interim progress report to the Legislature.

Appendix E
PURPOSES OF AND PROCEDURES FOR INCURRING SCHOOL INDEBTEDNESS

Section 237.141, F.S. specifies that indebtedness for school purposes may be incurred only as follows:

(1) school districts may issue bonds creating a long-term indebtedness as prescribed by law (Sections 236.36 - 236.51, F.S.),
(2) notes may be issued for money borrowed in anticipation of the receipt of current school funds included in the budget from the State, county, or district (Section 237.151, F.S.),
(3) indebtedness may be incurred for certain purposes as authorized (Section 237.161, F.S.),
(4) bonds or revenue certificates issued on behalf of the district by the State Board of Education as authorized by Section 9(d) of Article XII, State Constitution.

Bonds creating a long-term indebtedness. -- Whenever the residents of a school district desire to issue bonds for the purpose of acquiring, building, enlarging, furnishing, or otherwise improving buildings or school grounds, or for any other exclusive use of the public schools within such school district, they shall present to the school board, a petition signed by not less than 25% of the duly qualified electors residing within the school district, setting forth in general terms the amount of the bonds desired to be issued, the purpose thereof, and that the proceeds derived from the sale of such bonds shall be used for the purposes set forth in the petition. The requirement of such petition may be dispensed with and the proposition of issuing bonds for the purposes listed above may be initiated by the school board providing all legal constraints are met.

It is the duty of the district school board to plan the school financial program of the district so that, insofar as practicable, needed capital outlay expenditures can be made without the necessity of issuing bonds. Whenever the school board proposes an issue of bonds or has received a petition proposing the issuance of bonds, it must determine that the proposed projects are essential for the school program, determine to what extent the proposed project can be carried out with current funds and determine the amount of bonds necessary to be issued to complete the projects as proposed for the district and shall adopt and transmit to the Department of Education a resolution setting forth the proposals with reference to the projects and the proposed plan for financing the projects.

If the Department determines that the issuance of bonds as proposed is unnecessary or is unnecessary in the amount and according to the plan proposed, the Department shall notify the school board and the board then amends its resolution to conform to the recommendation of the Department, and no further action is taken for a period of at least one year on the proposal for the bond issue unless, within 30 days thereafter, a petition signed by at least 35% of the qualified electors within the district is received by the school board requesting that an election be called to vote bonds for the purposes set forth and in an amount which

shall not exceed the amount of bonds proposed by the school board.

When a resolution proposing a bond issue has been approved by the Department or when such a proposal has been rejected by the Department of Education and a new petition signed by 35% of the qualified electors of the district has been presented, the school board publishes the resolution and an election is held. If the majority of the votes cast are "for bonds" the school board is authorized and required to issue the bonds authorized by said election for the purposes specified in the resolution as published; but, if the majority of the votes cast are "against bonds" no bonds are issued.

The school board may prescribe the denomination of the bonds to be issued and such bonds may be issued with or without interest coupons in the discretion of the board. The form of the bonds to be issued may be prescribed by the State Board on the recommendation of the Department of Legal Affairs. The schedule of maturities of the proposed bonds is so arranged that the total payments required each year, including the payments on other bonds outstanding against the district, are as nearly equal as practicable. The schedule shall provide that all bonds are to be retired within a period of 20 years unless a longer period is required and has been specifically approved by the Department of Education. If the interest exceeds 2.99 percent, bonds are required to be callable after 10 years. Proceeds from bond sales may be invested when their use is not immediately required.

The school board maintains a complete record of all bonds issued. The record shall show upon what authority the bonds are issued, the amount for which issued, the persons to whom issued, the date of issuance, the purpose or purposes for which issued, the rate of interest to be paid, and the time and place of payment of each installment of principal and interest. The record is arranged to show the amount of principal and interest to be paid each year and shall also show the annual or semi-annual payments which are made and the bonds which are cancelled. The record is filed with the Department of Education. State Board regulations limit the amount of school bonded indebtedness to 10% of the nonexempt assessed valuation of the district and the amortization period to not more than twenty years except with specific approval of the State Board.

Notes issued for money borrowed in anticipation of current school funds. -- At any time the current school funds on hand are insufficient to pay obligations created by the school board, in accordance with the official budget of the district, the school board is authorized to negotiate a current loan to pay these obligaitons. The board may borrow up to 80% of the revenue anticipated from district taxes at a rate of interest not exceeding 7½% per annum (authorized in Section 236.68, F.S.). The loan must be paid in full before the school board can be authorized to borrow money in any succeeding year.

In the event that county tax roll is in litigation and the tax collector is prevented from collecting taxes, the 80% restriction does not apply if the collection of taxes is delayed beyond May 1. Under such conditions the district board has authority to borrow money at a rate not to exceed 6% per annum to pay debt service necessary for the outstanding bonds

at the times needed to prevent the bonds or interest payments from being in default. The amount borrowed is limited to the amount of the district interest and sinking fund tax receipts included in the official budget or the amount necessary to meet such obligations, whichever is the lesser. Any money borrowed for payment of such debt service must be repaid from the district interest and sinking fund.

Indebtedness incurred for certain purposes. -- The district school board is authorized under certain conditions to create obligations by way of anticipation of budgeted revenues accruing on a current basis without pledging the credit of the district or requiring future levy of taxes for certain purposes for a period of one year. However, such obligations may be extended from year to year with the consent of the lender for a period not to exceed four years. The purposes for which such obligations may be incurred shall include only the purchase of school buses for transportation of pupils, the purchase of land for school sites and the erection, alteration or addition to school plants, the purchase of school plant equipment and the adjustment of insurance on school property on a five year plan, as provided by the regulations of the State Board. The proposed obligations must not exceed one-fourth of the district ad valorem tax revenue for operations for the preceding year. The loan proposal must be approved by the Department of Education and the school board upon approval, issues interest-bearing notes for the obligations. The notes provide the terms of payment and shall not bear interest in excess of 7½% per annum (Section 236.68 F.S.).

Bonds or revenue certificates issued on behalf of the district by the State Board of Education as authorized by the Constitution. -- The State Board of Education is authorized to issue bonds for capital outlay purposes under the authority of Section 9(d) (Capital Outlay and Debt Service) and Section 9(a) (Gross Receipts Tax Bonds) of Article XII of the Florida Constitution. The Division of Bond Finance is directed to act as agent for the State Board of Education in sale of such bonds. Previously, the State Board handled all bond sales directly.

Appendix F

COMPREHENSIVE INFORMATION, ACCOUNTING AND REPORTING SYSTEM

Section 237.34, F.S. requires the design and implementations of a Comprehensive Information, Accounting and Reporting System which is composed of three parts:

(1) Comprehensive Information and Assessment System
(2) Cost Accounting
(3) Cost Reporting

Comprehensive Information and Assessment System. -- The system includes the state system and the compatible district system and provides at least the following:

(a) Determination of the management decisions which will be made at each educational level and the information needed at each level. The primary unit for information and assessment is the individual school.
(b) Standardization of reporting definitions and terms.
(c) Procedures for assuring the compatibility of management objectives at the department, division, and district levels necessary to implement public education policy.
(d) Procedures for assuring the comparability between student performance information collected and reported by this system and national indicators of student performance.
(e) Compilations of relevant standardized fiscal, student, program, personnel, facility, and community information in forms usable at various management and policy-making levels.
(f) Integration of all present information components of the appropriate divisions of the Department into the comprehensive system, which includes, at least, such present educational information components as accreditation, student assessment, schoolhouse facilities, and cost accounting.
(g) Procedures for collection and dissemination of collected educational information required by other state agencies and federal agencies.
(h) Procedures for continuous review of all components of the information system to assure that information collected is necessary, adequate, and reliable and that it is processed in an efficient manner.
(i) Whenever possible, a reduction in the number and complexity of required reports, particularly at the school level.

Cost accounting. -- Each district accounts for expenditures of all state, local and federal funds on a school-by-school and district-aggregate basis in accordance with standards established by the Department or as provided by law. The method used by each district when recording and reporting cost data by program is reviewed and approved by the Department in accordance with regulations prescribed by the State Board.

Cost reporting. -- Each district reports expenditures of funds on a school-

by-school and on an aggregate-district basis in accordance with standards provided by the Department. Definitions of program categories and cost elements to be reported are prescribed by Regulations of the State Board and include the programs which are set forth in Sections 236.081 (1)(c), F.S.

In the 1975-76 fiscal year and each succeeding fiscal year, an amount equal to at least 80% of the funds generated by a district in the program-cost categories of kindergarten and grades 1, 2, and 3 are expended in these program-cost categories in the district that generates the funds, and each district reports to the Department of Education the percent and dollar amount of current operating funds of the FEFP, exclusive of categorical programs funds and funds expended in the manner prescribed in Section 236.081(4), F.S., expended by program-cost categories that generate the funds.

By the 1975-76 fiscal year, an amount equal to at least 70% of current operating funds of the FEFP, exclusive of categorical funds and funds expended in the manner prescribed in Section 236.081(4), F.S., shall be expended by program-cost categories in the district that generates the funds, and the school shall report similar expenditures and percents of basic programs. Expenses for instruction in art, music and physical education may be included within the amounts used to reach the percentages required for basic programs.

By the 1976-77 fiscal year, 80% of current operation funds of the FEFP shall be expended by basic program-cost categories in each school that generates the funds and by special program-cost categories in the district that generates the funds. A district-by-district accounting shall be made of all categorical programs identified in Section 236.081(6), F.S., and such funds shall be expended by the costs of the identified program in accordance with regulations of the State Board. (See Appendix B: Categorical Programs)

All districts, in cooperating with the Department, shall plan mutually compatible programs for the refinement of cost data and the improvement of the accounting and reporting system. The refinements and improvements identified by the district's plan and the state plan shall be accomplished by July 4, 1976.

Program cost categories. -- For the purposes of computing required percentages, the following constitute district programs:

(a) Kindergarten and grades 1, 2 and 3
(b) Grades 4 through 9
(c) Grades 10, 11 and 12
(d) All special programs for exceptional students
(e) All special vocational programs
(f) All special adult general education programs

APPENDIX G

SAMPLE FEFP CALCULATIONS

This sample FEFP calculation focuses on one district (District "X") and supplies examples of each computation required to arrive at the total allocation of state funds for District "X".

District "X"
District Cost Differential 1.0590'
Base Student Cost $745

FTE Counts by District

BASIC EDUCATION PROGRAMS (only sample programs shown)	COUNT 1 UNWEIGHTED (SUMMER COUNT)	COUNT 2 UN-WEIGHTED	COUNT 3 UN-WEIGHTED	COUNT 4 UNWEIGHTED (SUMMER COUNT)	TOTAL UNWEIGHTED
KINDERGARTEN THRU 3 GRADE		9,434.25	9,570.23	.64	19,005.12
GRADES 4,5,6,7,8,9, AND 10	86.90	19,090.14	18,851.78	108.88	38,137.70
GRADES 11 AND 12	75.31	3,352.47	3,072.26	92.70	6,592.74
EXCEPTIONAL EDUCATION PROGRAMS					
EDUCABLE MENTALLY RETARDED	3.99	479.47	538.22	4.39	1,026.07
PHYSICALLY HANDICAPPED	1.61	87.18	92.89	1.14	182.82
VOCATIONAL EDUCATION PROGRAMS					
VOCATIONAL EDUCATION III	14.38	993.34	995.90	83.13	2,086.75
ADULT EDUCATION PROGRAMS					
ADULT-COMMUNITY SERVICE	37.25	247.92	278.53	78.58	642.28

PROGRAM (only sample programs shown)	(1) FTE unweighted	(2) Program cost Factor	(3) weighted FTE (1) X (2)	Administering Program Maximums ("Caps")* (3a) Revised maximums	(3b) weighted FTE above maximums	(3c) Net FTE earned (3a) + (3b)	(4) base student cost (3 or 3c) X $745
K - Grade 3	19,005.12	1.234	23,452.3180	-N/A-	-N/A-	-N/A-	$17,471,976
Grades 4 - 9	38,137.70	1.00	38,137.7000	-N/A-	-N/A-	-N/A-	28,412,587
Grades 10 - 12	6,592.74	1.10	7,252.0140	-N/A-	-N/A-	-N/A-	5,402,750
Educable Mentally Retarded	1,026.07	2.30	2,359.9610		-0-		1,758,171
Physically Handicapped	182.82	3.50	639.8700	438.28	57.60	495.88	369,431
Vocational Education III	2,086.75	2.18	4,549.1150	4,530.52	8.52	4,539.04	3,381,585
Adult-Community Service	642.28	0.675	433.5390	288.54	-0-**	288.54	214,962

(5) District cost Differential (cost of living) (4) X 1.0590	(6) Minimum Level Funding (no loss)	(7) Basic Amount Current Operation (5) + (6)	(8) Required Local Effort	(9) State Share Basic Current Operation (FEFP) (7) - (8)	(10) Add/Subtract prior year adjustment
$18,502,823	-0-				
30,088,930	-0-				
5,721,512	-0-				
1,861,903	-0-				
391,227	-0-				
3,581,099	-0-				
227,645	-0-				
$60,375,139 (BASIC AMOUNT CURRENT OPERATIONS)	-0-	$60,375,139	$31,318,067	$29,057,072	

(11) Add Categorical Program Funds	(12) Add Capital Outlay Debt Service (Constitutional)	(13) Add any special allocation
General:		
Comprehensive School Construction & Debt Service		
Community Schools		
School Lunch		
Instruction Materials		
Student Transportation		
Transitional		
Elementary School Counselors		
Occupational & Placement Specialists		
Comprehensive Health		
Regional Diagnostic-Resource Centers for Exceptional Students		
Severely & Profoundly Retarded		
Career Education		

TOTAL STATE FUNDS FOR PUBLIC EDUCATION

* See Administering Program Maximums page G - 3

** Excess full-time equivalent membership computed at a cost factor of 0.0

Administering Program Maximums ("Caps")

When the actual full-time equivalent membership multiplied by the appropriate cost factor exceeds the assigned maximum, such excess full-time equivalent membership is computed at a cost factor of 1.00. There is one exception. Excess full-time equivalent membership in adult community service programs is computed at a cost factor of 0.0. Unused program maximums are reassigned by the Department to the program having the highest incidence of need within major program areas (exceptional students, vocational and adult general education).

Sample Calculation

(1)
639.87 actual weighted FTE (Physically Handicapped)
\- 438.28 assigned maximum weighted FTE
201.59 difference in actual/assigned weighted FTE

(2)
Program Cost Factor 3.50) 201.59 — 57.60 unweighted FTE's above maximum; difference in weighted FTE

(3)
57.60 X 1 (program cost factor above maximum) = 57.60 weighted FTE above maximum

(4)
438.28 assigned FTE maximum
\+ 57.60 FTE's above maximum
495.88 NET FTE earned

Alternate Sample Calculation

-201.59 over maximum
\+ 57.60 FTE at weight of 1.00
-143.99 Net weighted FTE over maximum

+639.87 Reported FTE earned
-143.99 Net weighted FTE over maximum
+495.88 Net weighted FTE earned

Appendix H
DISTRICT COST DIFFERENTIALS
1975-76

Alachua	0.9700
Baker	0.9460
Bay	0.9610
Bradford	0.9210
Brevard	0.9770
Broward	1.0580
Calhoun	0.9010
Charlotte	0.9940
Citrus	0.9540
Clay	0.9730
Collier	1.0450
Columbia	0.9630
Dade	1.0650
DeSoto	0.9570
Dixie	0.9360
Duval	0.9720
Escambia	0.9420
Flagler	0.9510
Franklin	0.9190
Gadsden	0.9100
Gilchrist	0.9410
Glades	0.9490
Gulf	0.9170
Hamilton	0.9210
Hardee	0.9430
Hendry	0.9760
Hernando	0.9510
Highlands	0.9530
Hillsborough	0.9720
Holmes	0.9130
Indian River	0.9970
Jackson	0.9160
Jefferson	0.9420
Lafayette	0.9200
Lake	0.9690
Lee	1.0120
Leon	0.9740
Levy	0.9450
Liberty	0.9030
Madison	0.9390
Manatee	0.9780
Marion	0.9700
Martin	1.0130
Monroe	1.0570
Nassau	0.9380
Okaloosa	0.9600
Okeechobee	0.9900
Orange	0.9730
Osceola	0.9600
Palm Beach	1.0590
Pasco	0.9530
Pinellas	1.0020
Polk	0.9650
Putnam	0.9430
St. Johns	0.9680
St. Lucie	0.9920
Santa Rosa	0.9430
Sarasota	1.0190
Seminole	0.9730
Sumter	0.9540
Suwannee	0.9230
Taylor	0.9520
Union	0.9260
Volusia	0.9760
Wakulla	0.9380
Walton	0.9220
Washington	0.9070

Appendix I
EDUCATIONAL TRAINING

Section 236.0811, F.S. --- Educational Training

Each school board shall develop and maintain an educational training program. Funds appropriated to the school districts for the purposes of this section shall be used exclusively for educational training programs meeting criteria established by the Department of Education.

When a district has an approved teacher education center, the inservice programs shall be conducted in accordance with the provisions of the Teacher Education Center Act of 1973, as amended.

Section 236.081(4), F.S. --- Educational Training Expenditure

Five dollars per full-time equivalent student shall be expended for educational training programs as determined by the district school board as provided in Section 236.0811, F.S.

If a district has an approved teacher education center, at least $3.00 of the $5.00 shall be expended as provided in the Teacher Education Center Act of 1973, as amended.

In August, 1975, General Counsel of the State Board of Education issued the following ruling concerning the legal expenditure of the three dollars per full-time equivalent student in each district which has an approved teacher education center.

> General counsel interprets Section 236.081, Florida Statutes, to mean that three dollars ($3) of the five dollars ($5) will be expended for inservice personnel training through the approved teacher education center. Each district participating in multi-county collaborative arrangements must expend all its three dollars ($3) per full-time equivalent student for inservice personnel training through the one approved teacher education center as designated by the cooperating districts.
>
> General Counsel would, however, sanction an accounting process where districts in multi-district organizations allocate all three dollars ($3) per FTE to the one designated teacher education center with the conditional recommendation that a portion of the allocation be returned to the district for the maintenance of local comprehensive inservice training programs. The amount to be reapportioned should be designated by the participating districts, recommended by the one state approved teacher education center council, approved by the designated school board through the Superintendent, and used exclusively for inservice personnel training meeting master plan criteria.

Sections 231.600 - 231.610, F.S. --- Teacher Education Center Act of 1973

The purposes of this act are to declare a new state policy for the education of teachers and to provide support for the developmental and operational activities required to implement the new policy.

Effective July 1, 1973, the responsibility for operating programs for preservice and inservice teacher education is assigned jointly to the colleges and universities, to the district school boards, and to the teaching profession, with the colleges and universities having the primary responsibility for operating preservice programs, the school districts having primary responsibility for operating inservice programs, and the teaching profession having the responsibility for providing information to make each institution's program meaningful and relevant.